

April 20, 2006

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station Boston, MA 02110

RE: **D.T.E. 04-116**

Dear Secretary Cottrell:

On behalf of Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid, I am writing enclosing our response to the Department's Seventh Set of Information Requests to the Electric Local Distribution Companies.

Thank you for your time and attention to this matter.

Very truly yours,

Any M. Rabinowitz

Service List cc:

DTE-LDC 7-1

Request:

- (a) Assuming such data is available, please calculate your Company's SAIDI and SAIFI for the years 2001-2005, using the IEEE Standard 1366-2003.
- (b) Provide a graphical comparison of your SAIDI performance using the Department's current method contrasted against your SAIDI performance using IEEE 1366-2003 during that period.
- (c) Provide a graphical comparison of your SAIFI performance using the Department's current method contrasted against your SAIFI performance using IEEE 1366-2003 during that period.
- (d) Chart and specify the dollar amount of SAIDI and SAIFI penalties, if any, that you have incurred under the Guidelines and would have incurred under IEEE1366-2003.

Response:

(a) SAIDI and SAIFI for Massachusetts Electric Company ("Mass. Electric") for the years 2001-2005, using the IEEE Standard 1366-2003, are as follows:

Massachusetts Electric Company

		1 /			
	2001	2002	2003	2004	2005
SAIDI (minutes)	95.72	116.92	100.07	122.25	141.74
SAIFI	1.223	1.433	1.382	1.408	1.491

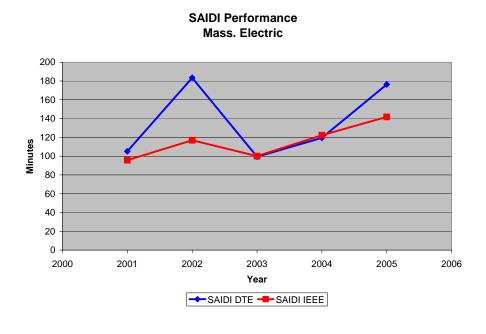
For Nantucket Electric Company ("Nantucket Electric"), data is only readily available to calculate SAIDI and SAIFI beginning in 2002. Therefore, SAIDI and SAIFI for Nantucket Electric, using the IEEE Standard 1366-2003, are provided from 2002 through 2005:

Nantucket Electric Company

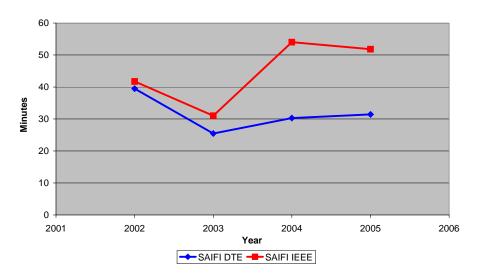
	2002	2003	2004	2005
SAIDI (minutes)	41.71	30.99	54.02	51.82
SAIFI	0.667	0.688	1.031	0.700

The Major Event Day (MED) SAIDI threshold for any year was determined from the previous five years' data. Any days identified as MEDs for the calculation of SAIDI were also considered MEDs for the calculation of SAIFI.

(b) A graphical comparison of SAIDI performance using the Department's current method contrasted against SAIDI performance using IEEE Standard 1366-2003 during 2001 through 2005 is shown below for Mass. Electric and Nantucket Electric:



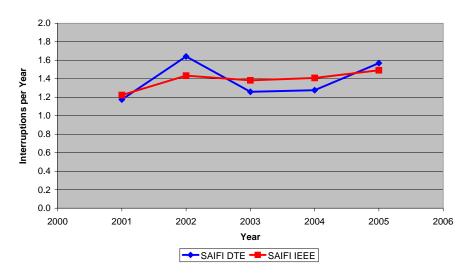
SAIDI Performance Nantucket Electric



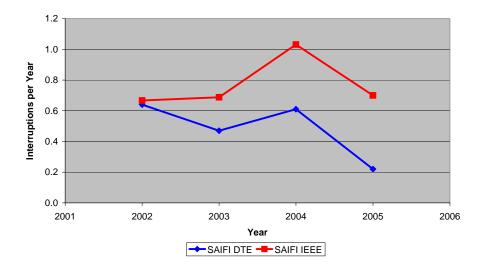
The Department's current method excludes interruptions that are included in the method within the IEEE Standard 1366-2003, while the IEEE method reports the non-MED segmented results.

(c) A graphical comparison of SAIFI performance using the Department's current method contrasted against SAIFI performance using IEEE Standard 1366-2003 during 2001 through 2005 is shown below for Mass. Electric and Nantucket:

SAIFI Performance Mass. Electric



SAIFI Performance Nantucket Electric



(d) In order to calculate penalty/incentive levels for the performance determined by the method in IEEE Standard 1366-2003, it is preferred that performance metrics for ten prior years be used to determine the mean and standard deviation values. Since data is not available for that length of time for any of the subject years, the Company used

performance for 1997 - 2000 to determine the penalty/incentive levels for 2001. For each year thereafter, the prior year's data was appended to that original range. It should be noted that the data from 1997 - 2000 was used to determine the performance thresholds for all the subject years, despite the fact that the data quality is very different after 1999, due to the use of computerized data collection methods after 1999.

Mass. Electric Penalties (in millions)

(III IIIIIIOIIS)					
	2001	2002	2003	2004	2005
SAIFI					
DTE Methodology	-	2.992	-	-	3.262
IEEE 1366	1	2.992	1.056	1.161	2.148
SAIDI					
DTE Methodology	n/a	2.992	-	3.053	3.262
IEEE 1366	1.75	2.992	-	3.053	3.262

Nantucket Electric Penalties

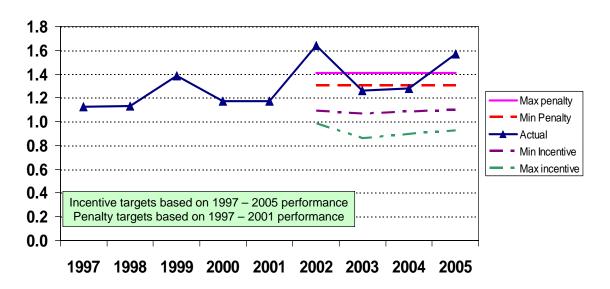
	2001	2002	2003	2004	2005
SAIFI					
DTE Methodology	n/a	-	-	-	-
SAIDI					
DTE Methodology	n/a	\$16K	-	-	\$7K

Data is not readily available to calculate penalties under IEEE Standard 1366-2003 for Nantucket Electric.

The following two charts graphically illustrate the Company's SAIFI targets from 2002 through 2005 using both the current DTE methodology and IEEE Standard 1366-2003.

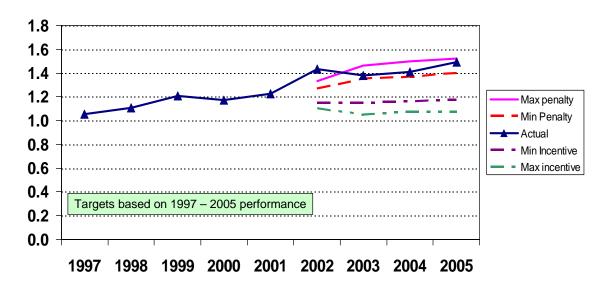
National Grid MA 2002 - 2005 SAIFI Targets

Using Current DTE SQ Plan Methodology



National Grid MA 2002 - 2005 SAIFI Targets

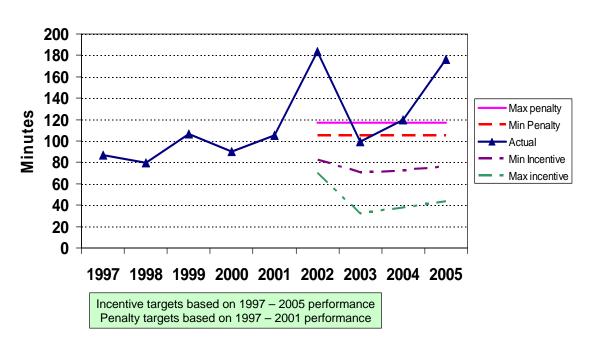
Using IEEE 1366 Methodology



The following two charts graphically illustrate the Company's SAIDI targets from 2002 through 2005 using both the current DTE methodology and IEEE Standard 1366-2003.

National Grid MA 2002 - 2005 SAIDI Targets

Using Current DTE SQ Plan Methodology



National Grid MA 2002 - 2005 SAIDI Targets

Using IEEE 1366 Methodology

